



JUL 12 2005

The Honorable Ted Kulongoski
Governor of Oregon
900 Court Street NE
Salem, Oregon 97301

Dear Governor Kulongoski:

It is with pleasure that I respond to the State of Oregon's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted one waiver request and a request to extend the designation of the state as a work-flex state. The state also referenced in the Plan its request for an extension of a waiver, dated March 23, 2005, which is supplemented by a submission of additional information, dated June 9, 2005. The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Extension of the waiver of the time limit on the period of initial eligibility at 20 CFR 663.530.

The state indicates that an extension is requested to address the continuing difficulties in the collection of "all student" information from training providers. Without an extension, the state indicates that many training providers are likely to opt out of the Eligible Training Provider system, thus limiting customer choice. This request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the state is granted an extension of the waiver, through June 30, 2007.

Requested Waiver 2: Extension of the waiver allowing the use of up to 50 percent of the funds reserved for rapid response activities to provide statewide activities.

In a letter dated June 9, 2005, the state responded to our request for additional information (copy enclosed) by providing detailed information on its success under the waiver and its importance in serving employers. The state reported that, with the assistance of the waiver, the state has been able to operate 221 incumbent worker training projects under the fund in all 15 of the state's regions, serving more than 10,900 workers.

The request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). We are granting an extension of the waiver of the language limiting the authority to provide the activities at WIA Sections 134(a)(1)(B) and 129(b) to statewide reserve funds. This waiver permits the state to use up to 50 percent of the funds reserved for rapid response activities at WIA Section 133(a)(2) to provide the statewide activities authorized at WIA Section 134(a)(3), through June 30, 2007.

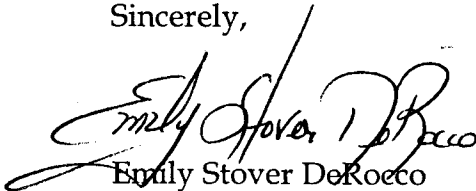
Requested work-flex designation: Extend the designation of the state as a work-flex state.

We are excited about the state's intention to seek additional flexibility under work-flex designation. Unfortunately, the state's request does not currently meet the standard for approval at 20 CFR 661.430. A work-flex plan must include descriptions of the statutory and regulatory requirements that are likely to be waived (20 CFR 661.430(c)(1)-(4)) and the outcomes to be achieved (20 CFR 661.430(c)(5)). Once we receive a complete request, we will review this request under established work-flex review procedures and respond to the state accordingly. If state staff need assistance in meeting the requirements, we would be happy to provide assistance. Chris Kulick is the appropriate contact person at 202-693-3937.

As provided for under paragraph 3 of the executed Agreement, the approved waivers are incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Stover DeRocco", is written over a horizontal line. The signature is fluid and cursive.

Enclosure